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**FINDINGS AND DETERMINATION**  
**Cancellation of Request for Proposals (Phase I and II)**  
**FBI Headquarters Consolidation**

**I. BACKGROUND**

This Findings and Determination ("F&D") concerns the General Services Administration (GSA) Request for Proposals (Phase I and II) ("RFP") for the FBI Headquarters Consolidation (the "Procurement" or "Project"). The RFP sought an exchange partner to develop, design, construct, deliver and operate a consolidated headquarters facility of up to 2.1 million rentable square feet for the U.S. Federal Bureau of Investigation ("FBI"). As consideration for its performance, the exchange partner would receive Federal construction funding and, upon completion and acceptance of the new FBI headquarters facility, fee simple title to the J. Edgar Hoover Building and land generally consisting of the full city block bounded by Pennsylvania Avenue and 9th, 10th, and E Streets, NW in Washington, D.C., (collectively referred to as "JEH").

In January 2013, GSA issued a Request for Information (RFI) to garner reaction from members of the development community, local and state jurisdictions, and other interested parties regarding feasibility, issues, and considerations related to a potential project exchange structure. The (b) (5) responses to the RFI helped to inform GSA's strategic planning for the Project.

In November 2013, the RFI was followed by a Request for Expressions of Interest (REOI) for sites within the National Capital Region to be used for the development of a new FBI headquarters. From the site evaluation process, three acceptable sites were identified: one in Fairfax County, Virginia and two in Prince George's County, Maryland.

On December 19, 2014, GSA issued RFP Phase I for the Government to select a short-list of no more than five Offerors to compete in Phase II. On October 13, 2015, GSA identified (b) (5) short-listed Offerors to proceed to Phase II of the Procurement.

On January 22, 2016, GSA issued RFP Phase II to the (b) (5) qualified Phase I Offerors. This RFP Phase II set forth requirements for Phase II proposals for the selection of an exchange partner to design and construct the Project described in the RFP documents, and included the draft Design Build Exchange Agreement that the successful Offeror was expected and would be required to execute if selected.

RFP Phase I contained certain language to place offeror participants on affirmative notice that GSA was not warranting that the Procurement would proceed. Section E, paragraph A of the Phase I RFP stated: "This Phase I RFP shall not be construed in any manner to create

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an obligation on the part of GSA to enter into any agreement, nor to implement any of the actions contemplated herein, nor to serve as the basis for any claim whatsoever for reimbursement of costs for efforts expended in preparing a response to the Phase I RFP or participating in the selection process."

Further, RFP Phase II contained the following quoted language to place offeror participants on affirmative notice that GSA was not warranting that the Procurement would proceed or that funding would be obtained:

- "Award of the Contract shall be subject to the availability of appropriated funds, and the Government shall incur no obligation under this RFP in advance of such time as funds are made available or appropriate funding authority is made available to the Contracting Officer for the purposes of Contract award." (Section B.3.1)
- "The Government reserves the right to reject all proposals if doing so is determined to be in the best interest of the government." (Section C.2.1)
- Additionally, "The Government may reject any or all proposals if such action is in the Government's interest." (Section D.1.e.2)

This D&F and related cancellation of the RFP are consistent with the foregoing provisions of the RFP.

## **II. DISCUSSION and FINDINGS**

This Procurement relies upon authority found in 40 U.S.C. § 581 and 40 U.S.C. § 3304, together with Federal Acquisition Regulation concepts embodied in part 15 (contracting by negotiation) and part 36.3 (two phase design-build selection procedures). As historical context, successfully completed GSA exchange procurements have involved projects where the value of the Government exchange property was greater than or equal to the new facility being proposed.<sup>1</sup> GSA conceived using an exchange concept for the FBI HQ requirement at a point when the estimated Project cost was \$1 billion (as referenced in Question For the Record dated April 24, 2013 for House Subcommittee on Economic Development, Public Buildings, and

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<sup>1</sup> "To date, GSA's Public Buildings Service (PBS) has completed eight exchanges, with the highest value exchanged property worth \$10.8 million. Five of these completed exchanges were under \$3 million. All of these completed exchanges were negotiated with a single party, generally a state or local public agency." Since the conclusion of audit fieldwork, PBS signed the Volpe exchange agreement for \$750 million, which is more than the value it expected to receive. (March 30, 2017 GSA-OIG "Audit of PBS's Planning and Funding for Exchange Projects", Report A160024/P/R/R17004.)

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Emergency Management) and the estimated value of JEH was approximately \$(b) (5) million based on a 2010 appraisal.<sup>2</sup> GSA believed funding for the \$(b) (5) million difference was feasible. The circumstances surrounding the Procurement have evolved substantially since early formulation of the exchange construct.

***a. Program Requirement for Up-Front Full Funding to Ensure Project Success***

As the needs of FBI became more clearly identified over time, the cost of the Project increased, and GSA continued to inform Congress of the need for full funding of the Project in order for the Procurement to be awarded successfully, as is detailed in brief by excerpts of GSA communications to Congress, below:

January 21-22, 2016 Briefings to House and Senate Oversight and Appropriation Committees Staff by William Dowd, Public Buildings Service (PBS) Project Executive, GSA; Richard Haley, Assistant Director/Chief Financial Officer, FBI; and Scott Nathan, Associate Director for General Government Programs, OMB

- "What will the President's FY 2017 budget propose?
  - o The President's FY 2017 Budget will propose construction funding of \$759 million in the GSA Federal Buildings Fund and \$646 million in the FBI's Construction account. Together, this construction funding should ensure that GSA is in a position to award a contract for the design and construction of the full consolidation of FBI HQ in FY 2017."
- "The FY 2017 Budget request will ensure that if Congress enacts the Administration's proposal, funding will be available to award a construction contract for full consolidation."

February 8, 2016 Prospectus – Construction, FBI Headquarters Consolidation, National Capital Region

- "The costs of the consolidated FBI Headquarters facility will be supported by: (1) FY 2016 enacted funds from the Omnibus Consolidated Appropriations Act, which included \$180 million in FBI construction funding, \$135 million in resources made available from the FBI's prior year balances, and \$75 million in GSA FBF construction funding; (2) the value realized from the exchange of the JEH; (3) the President's Fiscal Year 2017 budget proposal of \$759 million in construction funding within the GSA FBF; and (4) the President's Fiscal Year 2017 budget proposal of \$646 million in the FBI's Construction account. *Combined, these funds should ensure that GSA is in a position to award the project on schedule in*

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<sup>2</sup> The Office of Management and Budget assumed that \$(b) (5) million could potentially be expected as a JEH credit for purposes of determining the FY 2017 budget request for "full funding" of the FBI HQ project.

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*FY 2017, and support the design and construction of the full consolidation."*  
[Emphasis Added]

February 29, 2016 Statement of Denise Turner Roth, Administrator, GSA before the Subcommittee on Financial Services and General Government, Committee on Appropriations, U.S. House of Representatives

- "The President's FY 2017 request for the FBI Headquarters within the GSA budget [\$759 million], paired with \$646 million in the FBI's FY 2017 construction budget, as well as the value of the J. Edgar Hoover Building and the prior year resources, will allow GSA to award a contract for design and construction of a new FBI headquarters by the end of this calendar year."

October 24, 2016 Briefing to House and Senate Oversight and Appropriation Committee Staff by Michael Gelber, Deputy PBS Commissioner, GSA and Richard Haley, Assistant Director/Chief Financial Officer, FBI

- "One thing that the overwhelming developer response has cemented is that: 1) FBI HQ remains FBI and GSA's highest funding priority, and 2) we need the funding level requested for FY 2017. We cannot underscore clearly enough that these resources are necessary to capitalize on that interest level and deliver the project in a timely way. We have a unique opportunity to execute this transaction in FY 2017 – and that opportunity will not wait."
- "What if Congress doesn't provide full funding in FY17? How would that impact that project timeline?
  - o We will not be able to execute an award for construction until both FBI and GSA receive the full funding requested in FY 2017.
  - o Any delay by Congress in providing that funding will cause delays in project delivery beyond our updated schedule.
  - o Delays in appropriated funding may well put the whole project at risk; due to the offerors' commitment of their own resources, these offerors are not going to be able to keep their offers on the table indefinitely. This has the potential of increasing the total cost of the project and lowering the value of the Hoover building."
- "Is this project scalable? What are the minimum funding requirements for FBI HQ project in FY17?
  - o Practically speaking, no.
  - o Scaling or phasing the project would extend the timeline for project delivery, significantly increase the cost of constructing a new FBI Headquarters, potentially devalue Hoover based on a delayed turnover, and not achieve FBI mission requirements.
  - o We will not be able to execute an award until both FBI and GSA receive the full funding requested in FY 2017."

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In the appendix to this F&D are contained Offeror Requests for Information and GSA's responses during the procurement indicating a high level of concern by the Offerors in terms of problems that might be caused by less than full up-front funding of the Project. GSA's answers indicated that the agency was anticipating such full up-front funding.

GSA has repeatedly communicated - to Congress, the agency's Office of Inspector General, and Offerors - that less than full up-front funding of the Project would place the Project at risk.

***b. Insufficiency of Credit Value Received for JEH Asset***

In studying ways to provide FBI with a new headquarters, GSA commissioned an independent, licensed appraiser in 2010 to appraise JEH under several scenarios. Of those scenarios, two are most relevant to this Procurement. The appraiser's opinions of the estimated market values "As Is", of the fee simple interest effective August 20, 2010 with an unoccupied building was \$(b) (5)000,000 and Prospective Market Value of the entire underlying land area and sold as one parcel, "as vacant and available to be developed to its highest and best use" as of August 20, 2019 was \$(b) (5)000,000.

As the Procurement proceeded and in order to evaluate the Offeror's valuation of JEH, GSA commissioned another appraisal in 2016 to determine the fair market value of the land only, as if vacant, unimproved and available for development. The appraiser's opinion was that the value of the property as of December 15, 2016 was \$(b) (5)000,000. Independent demolition contractors had provided GSA in 2016 with estimates for the razing the JEH building at approximately \$(b) (5)000,000, indicating that the "As Is" condition value at approximately \$(b) (5)000,000, for an immediate closing.

GSA's experience in certain exchange transactions, such as the Federal Triangle South initiative, corroborates agency concerns regarding JEH valuation. Receipt of initial Procurement offers further validated these concerns. As a result, GSA issued an amendment placing offerors on notice to maximize JEH credit values and provide their best offer. The amendment further notified Offerors that GSA retained discretion to cancel if JEH credit values were not high enough. RFP Phase II, as amended, contained the following quoted language to place offeror participants on affirmative notice of the manner in which the agency was consider credit offers from the JEH asset:

- "Any proposal including an initial proposal, that offers a value for the JEH Credit that the Government, in its sole discretion, does not consider to be fair and reasonable, may result in the entirety of the offeror's proposal being rejected without further consideration."  
(Section C.2.2)

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The Government added the foregoing clause by amendment to the RFP because the Government became concerned that the structure of the exchange might reduce the value offered for JEH. Including this provision explicitly placed Offerors on notice of the potential of such non-acceptance. Notwithstanding this amendment, the Final Proposal Revisions (FPR) credit offers for JEH fell below appraised values. Furthermore, FPR offers for JEH generally moved *downwards* relative to initial proposal offers.<sup>3</sup>

The FPRs received January 6, 2017 contained values offered for JEH of (b) (5). Under the Procurement, such a credit would be available to the Project at the end of the construction delivery schedule, a number of years in the future, and potentially many years in the future if necessary appropriated funds were not received, thereby further reducing the net value or 'purchasing power' of the credit. These JEH credit values, when viewed in comparison to the independent appraisals, were not "fair and reasonable" and fell far short of the Government value assumptions underlying the FY 2017 budget request.

In short, assumptions for "full funding" presumed a JEH value significantly higher than credit offers received.

***c. Among other Areas of Uncertainty, Funding Uncertainty and Delay Diminishes Efficacy of JEH Credit Value and Increases Need for Appropriated Funds***

Developers valuing JEH in an exchange that would occur in more than seven years after contract award had to consider additional risk factors over that period of time.<sup>5</sup> The exchange structure contemplated by the FBI HQ project differed significantly from a traditional Government disposal where conveyance would occur virtually immediately following public sale and closing. This extended time for conveyance and associated investment risk resulted in downward pressure on the exchange value of JEH. Current uncertainty regarding the timing of future Project funding and the ability for project design and construction activity to proceed without delay or interruption would likely create increased downward pressure on JEH credit value while, at the same time, creating upward pressure on construction cost.

In a similar vein, additional uncertainty is introduced pertaining to Assignable Purchase Options for private land that could be the location of the new HQ – the Landover and Greenbelt sites. At present, these Assignable Purchase Options expire Sep. 30, 2017 and have already been extended on multiple occasions. The two site owners have not offered definite responses to GSA's most recent requests for extension. Terms and conditions for any such extensions have not been finalized and could ultimately yield additional expense for the government. In addition to potential added expense related to use of the sites, the timing related to a potential

<sup>3</sup> Initial proposal offers for JEH were (b) (5).

<sup>4</sup> The offeror submitting this offer also included an alternate credit figure that varied by approximately \$M dependent upon the new HQ site that was selected by GSA.

<sup>5</sup> See GSA OIG report A160024/P/R/R17004, *supra*.

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re-opening of proposals to allow bidders to refresh, at a minimum, their offered pricing, the evaluation of such further FPRs, and other Government evaluation processes that are necessary prerequisites to any award, add further timing uncertainty to an already uncertain funding landscape. This also could result in offerors submitting higher priced construction cost proposals together with further devaluations of JEH credit values in such proposals.

In specific relation to this Project and more generally, GSA's OIG has articulated concerns related to devaluation pressures placed upon assets GSA attempts to include in exchange projects, such as those that follow.<sup>6</sup>

September 12, 2013 GSA-OIG Monitoring Service

- The GSA-OIG notified GSA's National Capital Region on September 12, 2013 that it would be conducting a Monitoring Service of the FBI Headquarters Consolidation project. Among other questions and areas of interest, GSA-OIG has had an initial and continued interest in discussing "potential funding alternatives should the JEH building not provide sufficient assets for the FBI HQ Consolidation Program of Requirements."

March 30, 2017 GSA-OIG "Audit of PBS's Planning and Funding for Exchange Projects", Report A160024/P/R/R17004

- "Finding 1 – PBS did not fully factor risk into its planning for exchange projects..."

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<sup>6</sup> Others articulated similar concerns. See eg, FBI RFI Report (July 10, 2013) noting that potential developers commented on the timing of the exchange and impact on the value of JEH. See eg, H. Rept. 114-624, Report of the Committee of Appropriations, June 15, 2016, ("This Committee has consistently questioned whether an exchange was financially and practically advisable and whether GSA's decision to forgo the normal disposal process would obtain the best deal for the taxpayer.") See eg O'Connell, *Hoyer: I'm not a fan of Hoover Building swap for FBI headquarters*, Washington Post, December 5, 2015 (stating "House Minority Whip Steny Hoyer (D-Md.) said Thursday that he was encouraged by the Obama administration's efforts to build a new FBI headquarters, but that he is exploring ways to pay for it other than by trading the J. Edgar Hoover Building to a developer.") See eg, Heckman, J.; *New FBI headquarters gets go-ahead from House committee*; (2016, December 07), from Federal News Radio: <https://federalnewsradio.com/agency-oversight/2016/12/new-fbi-headquarters-gets-go-ahead-house-committee/> ("I am concerned that they've come up with this bizarre construct where they're going to try to get someone to bid on buying the old FBI headquarters and building the new one. I think pairing the two is stupid, it's certainly going to limit the number of people who are interested in constructing and bidding on the new FBI headquarters. I'm concerned that we won't get full value for the downtown property, and I assume this is being done by GSA because they don't want to ask for an appropriation for the entire new project, so they're just going to muddy up the water here and mush the two together," Ranking member Peter DeFazio said.)

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- o "PBS's current guidance, the 1997 Exchange Guidance and Section 412 Guidance, does not require it to quantify risk, nor does it address discounting property values to account for the time the developer will have to wait to realize a return on its investment in exchanges. In exchanges involving construction services, the developer must complete the construction services before receiving the government's property as consideration. Depending on the extent of the construction services, this may take several years. As a result, developers discount the value of PBS's properties to account for investment risk. While PBS was conceptually aware of this risk, it did not fully factor the risk into its initial decisions to pursue exchanges or into the value it expected to receive for its properties from developers."
- o "PBS relied heavily on appraisals to establish the value of its properties. PBS officials noted that appraisals are generally only relevant and reliable for 12 months since they are based on current market conditions."  
"However, appraisals do not factor in the extended length of exchange transactions and the time it would take for the developer to receive the property. PBS also did not discount property values in its financial analyses or business cases to account for future market conditions or other risks, such as change order risk, that developers factored into their evaluations."

GSA used appraisals for the initial valuation of JEH to decide to pursue an exchange and did not estimate the full cost effect of these risks. However, as the Project progressed, it did eventually estimate the value of JEH, accounting for the risks associated with a delayed exchange. These valuations and cost estimates were a basis of the FY 2017 budget request. However, in this Project the risk of funding delays for the Government's contribution to the cost of the new facility can significantly compound the devaluation of JEH and increase the Project's cost.

***d. Recent Appropriations, Budget Activity, and Executive Branch Leadership***

The FY 2017 budget request included \$1.405 billion for a new FBI Headquarters consolidation; however, the funds appropriated leave an \$882 million gap, which also does not account for the additional pressure created by the JEH valuation described in this F&D. The FY 2017 appropriation (provided in May 2017) only included \$523 million (\$323 million for FBI and \$200 million for GSA), bringing the current appropriated amount for the Project to \$703 million, well short of full funding required for full consolidation. Funding was not requested in FY 2018 in the expectation that FY 2017 budget request would be fully funded.

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On June 28, 2017, a House Appropriations Subcommittee released the FY 2018 Financial Services and General Government Appropriations bill which, in Section 518 if enacted, would rescind the "unobligated balance of amounts provided for National Capital Region, FBI Headquarters Consolidation, in paragraph (1)(A) under the heading "General Services Administration—Federal Buildings Fund" in division E of Public Law 115-31." This proposed rescission is further indication that full and timely funding of the Project is highly unlikely, and contributes to increasing uncertainty regarding the potential for full funding to be received in a timeframe that would not delay project performance.

Although Offeror proposals were received in January, 2017 and GSA proceeded diligently in its evaluation, GSA placed the Procurement on hold until the FY 2017 budget was completed in May 2017. Since the full request was not funded at that time, GSA has since then been evaluating if and how the Project might proceed, which has led to related internal executive branch coordination and this F&D.

GSA has coordinated with FBI and the Office of Management and Budget throughout the implementation of this Procurement initiative. Administration coordination has yielded independent input indicating that inclusion of the exchange component of this initiative is not favored.

***e. Summation of Rational Basis for Cancellation***

From the issuance of RFP Phase II and the submission of the FY 2017 budget request, GSA consistently and repeatedly informed Congress of the need for the full budget request to be funded in order to make an award. GSA stressed that phasing the Project was not practical and that full and timely funding was necessary. In addition, throughout the RFP Phase II process Offerors questioned the consequences of not receiving full or timely funding and were aware of the associated risks. Beginning with the issuance of RFP Phase I, continuing through RFP Phase II and the responses to Requests for Information from Offerors, GSA has consistently and repeatedly stressed that the Government is under no obligation to enter into any agreement, nor to implement any of the actions contemplated within those documents, and may cancel the Procurement. It is acknowledged that the Procurement and associated Design Build Exchange contract were prepared to allow award without full funding; however, the magnitude of the increase in costs due to delayed appropriated funding is too great to continue the Procurement and is beyond what GSA reasonably expected when the agency was contemplating an award without full funding. Since the lapse of time from receipt of FPRs would require GSA to seek a "refresh" of offeror pricing proposals, at a minimum, the agency's expectation would be that uncertainties over future funding (as evidenced by the House Appropriations Subcommittee's rescission language) will result in cost proposals going up to account for uncertainty, and JEH credit values being reduced.

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All of the foregoing issues support the use of more tested, conventional project delivery methods that should minimize costs while, at the same time, allow for maximization of JEH value since the property would be disposed in a timeframe more proximate to when the Government will be able to convey to the successful purchaser. De-linking the two transactions (construction of a new FBI HQ and disposal of the current FBI HQ) significantly un-complicates the overall project structure and offeror financing issues. Cancellation will also provide an opportunity to work further with FBI to better understand their program needs, and refine those needs such that when GSA is prepared to pursue a more conventional delivery approach, FBI's program needs are assured to be current as of that time.

These Findings indicate it is necessary and within the agency's discretion to cancel the current Procurement.

**III. DETERMINATION**

Consistent with the terms of the RFP, and applicable legal authority, GSA has determined it is reasonable and in the best interest of the Government to cancel the FBI Headquarters Procurement. GSA will work to develop an alternative procurement approach that will eliminate the risks associated with the current Procurement structure, reduce overall project costs, and position the Government to maximize JEH disposal value when that facility is ready to be vacated.

[Signatures follow.]

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(b)(6)

[Redacted]

Mary Pineda  
Contracting Officer

10 July 2017  
Date

(b)(6)

[Redacted]

Joel F. Berelson  
Contracting Officer  
Public Buildings Service (WPRA)

7/10/17  
Date

(b) (6)

[Redacted]

Mary D. Gilbert  
Regional Commissioner  
Public Buildings Service (WP)

7/10/17  
Date

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**APPENDIX**

- OFFEROR QUESTION: Section B.3.1 states that each phase of the work pursuant to the Contract shall be subject to the availability of appropriated funds. The delay in appropriation of funds could delay the completion of the overall project and the date by which the JEH would be transferred to the Offeror. How will the Government account for potential increases in costs or reductions in value if the Project is delayed due to delays in approval of appropriations? (RFI #37; 2/22/2016)
  - The contractor may recover for compensable delays through the equitable adjustment process.
- OFFEROR QUESTION: Appropriations - What happens if the Government Contribution has been exhausted, the Exchange Value has been exhausted, and the project is not complete because of Government delay or changes to the project? Will the Government require additional appropriations to cover such costs? What if they are not obtained? Will the Government commit to using best efforts to obtain necessary appropriations? (RFI #117; 5/13/2016)
  - It is the Government's intention to seek and obtain all necessary appropriations.
- OFFEROR QUESTION: Substantial Completion - Section I.B(2), III.A - It appears that Developer must propose a final, binding Substantial Completion date for the entire project during the Concept Design Phase. If the date is missed, Developer is in default and subject to significant liquidated damages. The Government has suggested that Developer is protected by the "excusable delay" provisions of the FAR and that Developer can request equitable adjustments for "compensable delay." However, the DBEA also states that schedule extensions may be granted or withheld in the Government's sole discretion. Given this language, it would be helpful if the Government could confirm the following: (i) Government delay can result in both an extension of the schedule (thereby forestalling liquidated damages) and an equitable adjustment of the JEH value (reflecting the increased carry costs for Developer and the time value of money); (ii) Delays from failures of Congress to appropriate funds will constitute Government delay; and (iii) Repeated or excessively protracted design reviews will constitute Government delay. (RFI 114; 5/13/2016)
  - (i) Government caused delays, without any developer concurrent delays, shall be resolved at time of impact per the terms of the contract and time extensions would not subject the Developer to LDs. Subject to a pending

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amendment, the Bid sheet will identify a bid cost for delays for three periods over the contract duration as follows: 1) Design phase; 2) construction phase; 3) Post substantial completion. Equitable adjustments of the JEK value are not anticipated. (ii) The Contract is subject to availability of funds and bound by the Antideficiency Act; limited notices to proceed will be issued for funds available. The Government has no requirement to issue NTP prior to funding. Failure of Congress to appropriate funds is not anticipated to constitute Government delay. The contracting officer would not issue a partial notice to proceed unless such NTP was in accordance with the DBEA. (iii) Design reviews by the government are identified in the RFP. Design submission requirements are identified on P-100 and the Developer shall provide their design quality review program to address their quality control measure to mitigate design deficiencies with each submission. The developer may elect to hold on-board reviews or presentations of each submission with the reviewers to minimize time for large or complex design submissions. If Developer requests and the CO approves a fast track design, the design review performance periods shall be scheduled to avoid federal holidays and overlapping review periods for submissions. The Government intends to review and approve design deliverables in accordance with the DBEA.

**Subject:** FBI F&D  
**Date:** Mon, 10 Jul 2017 15:38:44 -0400  
**From:** Aaron Hassinger - WPIA <aaron.hassinger@gsa.gov>  
**To:** Michael Gelber - PD <michael.gelber@gsa.gov>  
**Cc:** Mary Gibert - AD <mary.gibert@gsa.gov>, Shapour Ebadi <shapour.ebadi@gsa.gov>  
**Message-ID:** <CAFWj2MpUOeoVtfqqTdBY-rthf=rq\_VtrV0CXvG=-w+Mbx37S1g@mail.gmail.com>  
**MD5:** 0185281a6ffcf1e673017f772f921914  
**Attachments:** 7.10.17\_EXECUTED VERSION\_FBI HQ\_F and D.pdf

Michael,

The FBI F&D has been executed. Attached for your reference.

Thanks,

-Aaron

--

Aaron D. Hassinger, LEED AP  
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**Subject:** FBI Headquarters Consolidation Project: Evaluation of Exchange Impacts Documents  
**Date:** Fri, 28 Apr 2017 10:48:52 -0400  
**From:** Aaron Hassinger - WPIA <aaron.hassinger@gsa.gov>  
**To:** Dean Smith <dean.smith@gsa.gov>  
**Cc:** Michael Gelber - PD <michael.gelber@gsa.gov>, Mary Gibert - AD <mary.gibert@gsa.gov>, Shapour Ebadi <shapour.ebadi@gsa.gov>, Joanna Rosato - 3P <joanna.rosato@gsa.gov>  
**Message-ID:** <CAFWj2MpVgoy4GWJe\_EnkOU0+PfGtYhL7QqpLvA32NV1rS0H8Jg@mail.gmail.com>  
**MD5:** 8ab0be3085469c6c3efa4beb710c4f5d  
**Attachments:** (b)(5) ; (b)(5)

Good Morning Dean,

Per Michael's direction, I am sending you the FBI Headquarters Consolidation Project: Evaluation of Exchange Impacts documents for your review and comment. Please let me know if you have any questions. We look forward to your feedback.

Thanks,

-Aaron

Attached files:

(b)(5)  
(b)(5)

--

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## FBI Headquarters Consolidation Procurement: Executive Questions & Responses

Question # 1: Site Selection within Current Procurement Format (Could a site be selected and then request BAFO's from developers on a single site?)

Response #1: A change of this magnitude would be quite complicated, would require significant rework and an amendment to the RFP. A large change such as this could greatly increase the risk of protest. The CO was consulted, and her determination was that this change could be substantial enough to require cancellation per FAR 15.206 (e).

*FAR § 15.206(e): If, in the judgment of the contracting officer, based on market research or otherwise, an amendment proposed for issuance after offers have been received is so substantial as to exceed what prospective offerors reasonably could have anticipated, so that additional sources likely would have submitted offers had the substance of the amendment been known to them, the contracting officer shall cancel the original solicitation and issue a new one, regardless of the stage of the acquisition.*

Question #2: Would Significantly Reducing the Scope/Cost of the New Facility Increase Competition?

Response #2: The scope of the FBI Program of Requirements (POR) is driven by the FBI's mission and composed of FBI personnel and square footage requirements. While the program will undergo robust value engineering for the ultimately selected site during the design phase, a straight scope reduction prior to award is not value engineering. An across the board scope reduction of personnel and/or square footage during the ongoing procurement would be subject to FAR § 15.206(e). Generally, changes of this nature are limited to a maximum of approximately 10% (b)(5). A reduction of this magnitude would likely necessitate a full review and revision to the FBI's POR.

The exchange and the financial qualifications to be considered under the exchange will remain to be significant factors for competing teams. If scope was reduced but most of the other parameters stayed in place some of the teams that didn't make the original short list may become viable competitors. However, any reevaluation of shortlisted teams would initiate a re-procurement. Initially we had [redacted] development teams and short listed [redacted] (b) With a smaller scope there may be an uptick in competition at the GC/AE subcontract level (again only if re-procured), but this would still be a very large effort even if the scope were cut in half. The CO was consulted, and referenced FAR 15.206 (e). Additional specific information would be required to make a determination on the impact of such a change on the procurement.

Question #3: Is JEH Sale/Lease Back Approach Executable within the Current Procurement?

Response #3: A JEH Sale/Lease back does not fit into the current procurement, cancellation would likely be required.

*PBS P 4065.1 Page 8: Title to the GSA property cannot be conveyed to the PSEO until the services required to be delivered under the exchange agreement are completed and accepted by GSA. Page 9: c. The exchange of GSA's property will only occur after the PSEO completes the required construction services to the satisfaction of GSA. Note: Page 3: This guidance is for Section 412 exchanges, no such guidance exists for Section 581 exchanges.*

**Subject:** Fwd: FBI HQ Q and A's  
**Date:** Tue, 30 May 2017 17:48:40 -0400  
**From:** Mary Gibert - WP <mary.gibert@gsa.gov>  
**To:** Anthony Costa <tony.costa@gsa.gov>  
**Cc:** Mary Gibert - WPT <mary.gibert@gsa.gov>  
**Message-ID:** <CAOH3n2uNbZJE1yJT0nes9ewLOY9Pe=e1LLHSvUkuotxGPFqVbA@mail.gmail.com>  
**MD5:** 62d25995a1297e5ca4f4523bcbaf35e0  
**Attachments:** FBI HQ Executive Q and As R2 5-23-17.docx

FYI -

Provided to Michael and Joanna - was leaving to them to provide to you.

Mary

----- Forwarded message -----

From: **Mary Gibert - WP** <[mary.gibert@gsa.gov](mailto:mary.gibert@gsa.gov)>  
Date: Tue, May 23, 2017 at 11:21 AM  
Subject: Fwd: FBI HQ Q and A's  
To: Michael Gelber - PD <[michael.gelber@gsa.gov](mailto:michael.gelber@gsa.gov)>, Joanna Rosato - 3P <[joanna.rosato@gsa.gov](mailto:joanna.rosato@gsa.gov)>  
Cc: Mary Gibert - WPT <[mary.gibert@gsa.gov](mailto:mary.gibert@gsa.gov)>, Shapour Ebadi <[shapour.ebadi@gsa.gov](mailto:shapour.ebadi@gsa.gov)>

Michael and Joanna:

Responses to questions per our last meeting.

Available to discuss.

Mary

----- Forwarded message -----

From: **Aaron Hassinger - WPIA** <[aaron.hassinger@gsa.gov](mailto:aaron.hassinger@gsa.gov)>  
Date: Tue, May 23, 2017 at 9:07 AM  
Subject: FBI HQ Q and A's  
To: Mary Gibert - AD <[mary.gibert@gsa.gov](mailto:mary.gibert@gsa.gov)>  
Cc: Shapour Ebadi <[shapour.ebadi@gsa.gov](mailto:shapour.ebadi@gsa.gov)>, "Stephen L. Schwartz" <[stephen.schwartz@gsa.gov](mailto:stephen.schwartz@gsa.gov)>

Per your request. See attached questions and answers.

Thanks,

-Aaron

--

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#### RFP Language on Government's Rights

Section B.3.4 states "The Government will not bear any expenses associated with the Offeror's preparation of their proposals."

Section C.2.1 states "The Government reserves the right to reject all proposals if doing so is determined to be in the best interest of the Government."

Section C.2.2 states "Any proposal, including an initial proposal, that offers a value for the JEH Credit that the Government, in its sole discretion, does not consider to be fair and reasonable, may result in the entirety of the offeror's proposal being rejected without further consideration."

Section D.1.e.2 states "The Government may reject any or all proposals if such action is in the Government's interest."

Section B.3.1 states "Award of the Contract shall be subject to the availability of appropriated funds, and the Government shall incur no obligation under this RFP in advance of such time as funds are made available or appropriate funding authority is made available to the Contracting Officer for the purpose of Contract award."

#### RFP Language on Fact-Track Schedule

Section C.1.1.1.3 states "The Government envisions and welcomes a fast-track design-build approach and will consider partial plan submittals and parallel activities within and across project phases, subject to the limitation of Section B.3.1. In evaluating the project schedule, the Government will consider (i) the total duration of the schedule, with a shorter duration preferred; (ii) the duration of the on-site construction period, with a shorter duration preferred; and (iii) whether the schedule incorporates early phased mission deployment, but only to the extent that such phasing reduces schedule duration."

#### Developer RFI Question 37

Q: Section B.3.1 states that each phase of the work pursuant to the Contract shall be subject to availability of appropriated funds. The delay in appropriation of funds could delay the completion of the overall project and the date by which the JEH would be transferred to the Offeror. How will the Government account for potential increases in costs or reductions in value if the project is delayed due to delays in approval of appropriations?

R: The contractor may recover for compensable delays through the equitable adjustment process.

#### Developer RFI Question 117

Q: Appropriations - What happens if the Government contribution has been exhausted, the Exchange value has been exhausted, and the project is not complete because of Government delay or changes to the project? Will the Government require additional

appropriations to cover such costs? What if they are not obtained? Will the Government commit to using best efforts to obtain necessary appropriations?

R: It is the Government's intent to seek and obtain all necessary appropriations.

Developer RFI Question 114

Q: Substantial Completion - Section I.B(2), III.A - It appears that Developer must propose a final, binding Substantial Completion date for the entire project during the Concept Design Phase. If the date is missed, Developer is in default and subject to significant liquidated damages. The Government has suggested that Developer is protected by the "excusable delay" provisions of the FAR and that Developer can request equitable adjustments for "compensable delay." However, the DBEA also states that schedule extensions may be granted or withheld in the Government's sole discretion. Given this language, it would be helpful if the Government could confirm the following: (i) Government delay can result in both an extension of the schedule (thereby forestalling liquidated damages) and an equitable adjustment of the JEH value (reflecting the increased carry costs for Developer and the time value of money); (ii) Delays from failures of Congress to appropriate funds will constitute Government delay; and (iii) Repeated or excessively protracted design reviews will constitute Government delay.

R: (i) Government caused delays, without any developer concurrent delays, shall be resolved at time of impact per the terms of the contract and time extensions would not subject the Developer to LDs. Subject to a pending amendment, the Bid sheet will identify a bid cost for delays for three periods over the contract duration as follows: 1) Design phase; 2) construction phase; 3) Post substantial completion. Equitable adjustments of the JEH value are not anticipated.

(ii) The Contract is subject to availability of funds and bound by the Antideficiency Act; limited notices to proceed will be issued for funds available. The Government has no requirement to issue NTP prior to funding. Failure of Congress to appropriate funds is not anticipated to constitute Government delay. The contracting officer would not issue a partial notice to proceed unless such NTP was in accordance with the DBEA.

(iii) Design reviews by the government are identified in the RFP. Design submission requirements are identified on P-100 and the Developer shall provide their design quality review program to address their quality control measure to mitigate design deficiencies with each submission. The developer may elect to hold on-board reviews or presentations of each submission with the reviewers to minimize time for large or complex design submissions. If Developer requests and the CO approves a fast track design, the design review performance periods shall be scheduled to avoid federal holidays and overlapping review periods for submissions. The Government intends to review and approve design deliverables in accordance with the DBEA.

#### Specific Developer Final Proposal Revision Language

Peterson's proposal states..."Another area in which we will need to closely coordinate with the Government is regarding funding. The fast track approach assumes funding is available to support the start of construction activities. In an effort to support this our team will prepare an anticipated cash flow analysis based upon our schedule for Government review and coordination. Adjustments may need to be made to the schedule to ensure that fiscal year appropriations match anticipated cash flow needs, particularly with the complex nature of the transactions associated with this project."

FCDP's proposal states..."We heeded the comments about schedule and worked hard with the design and construction teams to take a year off of the schedule. This was primarily accomplished by finding ways to overlap the design and construction schedules and to start design earlier."

#### GSA Obligations to Date

To date GSA has obligated \$20.526 Million for the FBI project. Of that, \$9.0 Million is from the FY16 BA51 appropriation (\$75M) for program management support. "Sunk costs" are approximately \$10 Million.

**Subject:** FBI F&D  
**Date:** Mon, 10 Jul 2017 15:38:44 -0400  
**From:** Aaron Hassinger - WPIA <aaron.hassinger@gsa.gov>  
**To:** Michael Gelber - PD <michael.gelber@gsa.gov>  
**Cc:** Mary Gibert - AD <mary.gibert@gsa.gov>, Shapour Ebadi <shapour.ebadi@gsa.gov>  
**Message-ID:** <CAFWj2MpUOeoVtfqqTdBY-rthf=rq\_VtrV0CXvG=-w+Mbx37S1g@mail.gmail.com>  
**MD5:** 0185281a6ffcf1e673017f772f921914  
**Attachments:** 7.10.17\_EXECUTED VERSION\_FBI HQ\_F and D.pdf

Michael,

The FBI F&D has been executed. Attached for your reference.

Thanks,

-Aaron

--

Aaron D. Hassinger, LEED AP  
Project Executive  
Office of Design and Construction  
Public Buildings Service  
National Capital Region  
U.S. General Services Administration  
301 7th Street, SW, Room 7512  
Washington, DC 20407  
[aaron.hassinger@gsa.gov](mailto:aaron.hassinger@gsa.gov)  
(b)(6)  
202-208-0382 (office)

**Subject:** FBI Headquarters Consolidation Project: Evaluation of Exchange Impacts Documents  
**Date:** Fri, 28 Apr 2017 10:48:52 -0400  
**From:** Aaron Hassinger - WPIA <aaron.hassinger@gsa.gov>  
**To:** Dean Smith <dean.smith@gsa.gov>  
**Cc:** Michael Gelber - PD <michael.gelber@gsa.gov>, Mary Gibert - AD <mary.gibert@gsa.gov>, Shapour Ebadi <shapour.ebadi@gsa.gov>, Joanna Rosato - 3P <joanna.rosato@gsa.gov>  
**Message-ID:** <CAFWj2MpVgoy4GWJe\_EnkOU0+PfGtYhL7QqpLvA32NV1rS0H8Jg@mail.gmail.com>  
**MD5:** 8ab0be3085469c6c3efa4beb710c4f5d  
**Attachments:** (b)(5) ; (b)(5)

Good Morning Dean,

Per Michael's direction, I am sending you the FBI Headquarters Consolidation Project: Evaluation of Exchange Impacts documents for your review and comment. Please let me know if you have any questions. We look forward to your feedback.

Thanks,

-Aaron

Attached files:

(b)(5)  
(b)(5)

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Aaron D. Hassinger, LEED AP  
Project Executive  
Office of Design and Construction  
Public Buildings Service  
National Capital Region  
U.S. General Services Administration  
301 7th Street, SW, Room 7512  
Washington, DC 20407  
[aaron.hassinger@gsa.gov](mailto:aaron.hassinger@gsa.gov)

(b)(6)

[202-208-0382](#) (office)

## FBI Headquarters Consolidation Procurement: Executive Questions & Responses

Question # 1: Site Selection within Current Procurement Format (Could a site be selected and then request BAFO's from developers on a single site?)

Response #1: A change of this magnitude would be quite complicated, would require significant rework and an amendment to the RFP. A large change such as this could greatly increase the risk of protest. The CO was consulted, and her determination was that this change could be substantial enough to require cancellation per FAR 15.206 (e).

*FAR § 15.206(e): If, in the judgment of the contracting officer, based on market research or otherwise, an amendment proposed for issuance after offers have been received is so substantial as to exceed what prospective offerors reasonably could have anticipated, so that additional sources likely would have submitted offers had the substance of the amendment been known to them, the contracting officer shall cancel the original solicitation and issue a new one, regardless of the stage of the acquisition.*

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*PBS P 4065.1 Page 8: Title to the GSA property cannot be conveyed to the PSEO until the services required to be delivered under the exchange agreement are completed and accepted by GSA. Page 9: c. The exchange of GSA's property will only occur after the PSEO completes the required construction services to the satisfaction of GSA. Note: Page 3: This guidance is for Section 412 exchanges, no such guidance exists for Section 581 exchanges.*

**Subject:** FBI Q&A Document  
**Date:** Tue, 20 Feb 2018 17:14:52 -0500  
**From:** Andrew Blaylock - S <andrew.blaylock@gsa.gov>  
**To:** Daniel Mathews - P <daniel.mathews@gsa.gov>, Michael Gelber - PD <michael.gelber@gsa.gov>, LaFondra Lynch - 4P <lafondra.lynch@gsa.gov>, Joey Garon - PRCA <joseph.garon@gsa.gov>, Mary Gibert - AD <mary.gibert@gsa.gov>, Shapour Ebadi - WPI <shapour.ebadi@gsa.gov>, Aaron Hassinger - WPIA <aaron.hassinger@gsa.gov>, Brennan Hart - A <brennan.hart@gsa.gov>, Saul Japson <saul.japson@gsa.gov>, Jeff Post - A <jeffrey.post@gsa.gov>, Jessica Jennings - S <jessica.jennings@gsa.gov>, Dawn Stalter - BPA <dawn.stalter@gsa.gov>  
**Message-ID:** <CAFrwOFi2m2ajyw7GTOxxQoCucYmMEe1W-N7tB\_KpuKcFreuM9Q@mail.gmail.com>  
**MD5:** d99cf13588d972deb737dddfdb5172e5  
**Attachments:** HQ Briefings\_QA\_2.22.2018 (1).xlsx

Please see attached the Q&A document the FBI put together following this morning's call.

**Subject:** Fwd: FBI HQ Q and A's  
**Date:** Tue, 30 May 2017 17:48:40 -0400  
**From:** Mary Gibert - WP <mary.gibert@gsa.gov>  
**To:** Anthony Costa <tony.costa@gsa.gov>  
**Cc:** Mary Gibert - WPT <mary.gibert@gsa.gov>  
**Message-ID:** <CAOH3n2uNbZJE1yJT0nes9ewLOY9Pe=e1LLHSvUkuotxGPFqVbA@mail.gmail.com>  
**MD5:** 62d25995a1297e5ca4f4523bcbaf35e0  
**Attachments:** FBI HQ Executive Q and As R2 5-23-17.docx

FYI -

Provided to Michael and Joanna - was leaving to them to provide to you.

Mary

----- Forwarded message -----

From: **Mary Gibert - WP** <[mary.gibert@gsa.gov](mailto:mary.gibert@gsa.gov)>  
Date: Tue, May 23, 2017 at 11:21 AM  
Subject: Fwd: FBI HQ Q and A's  
To: Michael Gelber - PD <[michael.gelber@gsa.gov](mailto:michael.gelber@gsa.gov)>, Joanna Rosato - 3P <[joanna.rosato@gsa.gov](mailto:joanna.rosato@gsa.gov)>  
Cc: Mary Gibert - WPT <[mary.gibert@gsa.gov](mailto:mary.gibert@gsa.gov)>, Shapour Ebadi <[shapour.ebadi@gsa.gov](mailto:shapour.ebadi@gsa.gov)>

Michael and Joanna:

Responses to questions per our last meeting.

Available to discuss.

Mary

----- Forwarded message -----

From: **Aaron Hassinger - WPIA** <[aaron.hassinger@gsa.gov](mailto:aaron.hassinger@gsa.gov)>  
Date: Tue, May 23, 2017 at 9:07 AM  
Subject: FBI HQ Q and A's  
To: Mary Gibert - AD <[mary.gibert@gsa.gov](mailto:mary.gibert@gsa.gov)>  
Cc: Shapour Ebadi <[shapour.ebadi@gsa.gov](mailto:shapour.ebadi@gsa.gov)>, "Stephen L. Schwartz" <[stephen.schwartz@gsa.gov](mailto:stephen.schwartz@gsa.gov)>

Per your request. See attached questions and answers.

Thanks,

-Aaron

--

Aaron D. Hassinger, LEED AP  
Project Executive  
Office of Design and Construction  
Public Buildings Service  
National Capital Region  
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**Subject:** Fwd: FBI Statement  
**Date:** Mon, 12 Feb 2018 13:56:52 -0500  
**From:** Susan Prisco - WP <susan.prisco@gsa.gov>  
**To:** Shapour Ebadi <shapour.ebadi@gsa.gov>, Aaron Hassinger - WPIA <aaron.hassinger@gsa.gov>  
**Cc:** "Mary Gibert (WPT)" <mary.gibert@gsa.gov>, "Dawn Stalter (WPFFP)" <dawn.stalter@gsa.gov>  
**Message-ID:** <CALfm6c3oYrg-UPTmj3qY02kz+y0Pc7qrQBgFWEXV44tXBrN8Q@mail.gmail.com>  
**MD5:** 3d4eca1638ce9fbad567d89157da5f53

Shapour & Aaron - fyi, our final FBI statement

----- Forwarded message -----

From: **Renee Kelly - ZCR** <[renee.kelly@gsa.gov](mailto:renee.kelly@gsa.gov)>

Date: Mon, Feb 12, 2018 at 1:40 PM

Subject: FBI Statement

To: Scott Anderson - WA <[scott.anderson@gsa.gov](mailto:scott.anderson@gsa.gov)>, Mary Gibert - WP <[mary.gibert@gsa.gov](mailto:mary.gibert@gsa.gov)>, Susan Sylvester - WP <[susan.prisco@gsa.gov](mailto:susan.prisco@gsa.gov)>, Dawn Stalter - PRC <[dawn.stalter@gsa.gov](mailto:dawn.stalter@gsa.gov)>, Ivan Swain <[ivan.swain@gsa.gov](mailto:ivan.swain@gsa.gov)>, "Claire Fortune (WPG)" <[claire.fortune@gsa.gov](mailto:claire.fortune@gsa.gov)>, Georgia Davis Leggett - BR4 <[georgia.davis-leggett@gsa.gov](mailto:georgia.davis-leggett@gsa.gov)>, Eitan Naftali - WPBB <[eitan.naftali@gsa.gov](mailto:eitan.naftali@gsa.gov)>, Diana Vaughan - 5P2M <[diana.vaughan@gsa.gov](mailto:diana.vaughan@gsa.gov)>, Thomas James <[thomas.james@gsa.gov](mailto:thomas.james@gsa.gov)>, Jamise Harper - WPTAA <[jamise.harper@gsa.gov](mailto:jamise.harper@gsa.gov)>

All,

Sharing the final approved statement before I send it out.

GSA Contact:

Renee Kelly [Renee.Kelly@gsa.gov](mailto:Renee.Kelly@gsa.gov)

Earlier today the U.S. General Services Administration (GSA) and the Federal

Bureau of Investigation (FBI) submitted the report on the FBI's new headquarters

project to the Senate Committee on Environment and Public Works.

GSA and FBI recommend in the report that a new headquarters facility for FBI be

constructed at the FBI's current location on [935 Pennsylvania Avenue, NW](#) in

Washington, DC. As a part of the report's proposal GSA will temporarily relocate

FBI operations and personnel from this facility, and demolish the existing J. Edgar

Hoover building. Additionally following the examination of several acquisition

strategies and in light of the recent budget agreement, GSA and FBI are requesting

Federal appropriations to fully fund the project.

The FBI's current headquarters facility, the Hoover building, has significantly deteriorated over the past 45 years. Crumbling façades, aging infrastructure, physical, structural and security limitations in the degraded facility all are severely impeding the FBI's ability to meet its critical law enforcement and national security missions. The work of the FBI requires a modern and secure headquarters with technology and equipment to support the men and women of the FBI who are dedicated to keeping our country safe. The report issued by GSA and FBI today provides for the new headquarters the FBI needs to accomplish its important work.

Renee Kelly  
Public Affairs Officer Team Lead  
Office of Strategic Communication  
U.S. General Services Administration  
National Capital Region

Public Buildings Service

(b)(6)

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[www.gsa.gov](http://www.gsa.gov)

	GSA QUESTIONS	Short Answer
1	Did the President or other Administration officials direct GSA and FBI to build on the JEH site to prevent private development that would compete with his hotel?	<ul style="list-style-type: none"> <li>•Not that we are aware of.</li> <li>•Principals of all stake-holders from the administration met and jointly decided.</li> </ul>
2	Does the FBI Director want to be on Pennsylvania Avenue?	<ul style="list-style-type: none"> <li>•FBI top leadership prefers the centralized location in NCR.</li> </ul>
3	CIA and NSA have suburban campuses. Why does the FBI need to be on Pennsylvania Avenue?	<ul style="list-style-type: none"> <li>•FBI is IC + <b>law enforcement</b>.</li> <li>•Visible representation of nation's law enforcement on Penn Ave.</li> </ul>
4	Why did GSA/FBI "change their mind" and propose to construct a new FBI HQs on the JEH site, instead of a suburban campus?	Benefits of new strategy: <ul style="list-style-type: none"> <li>•Centralized location and transportation</li> <li>•Proximity to mission partners</li> <li>•Cost avoidance</li> <li>•Improved resiliency + COOP</li> <li>•Maintain public facing</li> <li>•Ability to attract talented workforce outside of NCR</li> </ul>
5	How and why did the FBI change their program of requirements?	<ul style="list-style-type: none"> <li>•Program changed to reflect difference between suburban and urban option</li> </ul>
6	Which FBI components/employees are targeted to move outside the NCR? Have they and their families been notified?	<ul style="list-style-type: none"> <li>•Plan is: 8300(DC) + 1800 (AL) + 250(WV) + 250 (ID)</li> <li>•FBI is finalizing specific positions</li> <li>•Based on mission</li> </ul>
7	You want me to sign off on a plan that would move my boss' constituents to another part of the country?	<ul style="list-style-type: none"> <li>•Relocation is to meet FBI's mission needs</li> </ul>
8	Did GSA/FBI consider any suburban sites in the region that could house 2,300 fewer FBI employees?	<ul style="list-style-type: none"> <li>•No</li> <li>•Current site can fit 8300 staff</li> <li>•Current site has no land acquisition cost</li> </ul>
9	Both agencies, during the two previous administrations, said the JEH site was not viable due to security and consolidation requirements. What has changed?	<ul style="list-style-type: none"> <li>•Reduced staff at NCR and mission benefits makes current site more advantageous.</li> </ul>
10	Why is this recommendation so much more expensive than the previous procurement considering the proposed removal of 2,300 employees from the FBI HQs?	<ul style="list-style-type: none"> <li>•The cost between programs are comparable.</li> <li>•Transportation mitigation cost in previous strategy equates to swing space and non-NCR costs.</li> </ul>

11	What is the cost to build out space in Virginia, Idaho, West Virginia, and Alabama?	PENDING
12	What is the expense to move and relocate the 2,300 FBI employees out of the National Capital Region?	PENDING
13	Why did GSA/FBI recommend federal construction when the previous procurement was canceled due to a lack of appropriations?	•Federal construction deemed more viable with increase of spending cap.
14	Why did GSA/FBI not pursue project funding through a public private partnership?	•Federal construction avoids developer's fee + financing costs
15	Does GSA/FBI wish to circumvent the prospectus process and EPW by requesting funding for the project through CJS, instead of FSGG?	•No, that is not the intent. •Did not want to negatively impact the other projects requiring FSGG funding.
<b>A ADMINISTRATION + PENNSYLVANIA AVE</b>		
1	Was President Trump involved in the decision to reuse the JEH site to build a new FBI HQ? If no, who specifically was involved?	•Principals of all stake-holders from the administration met and jointly decided to use the existing site.
<b>B REVISED NATIONAL STRATEGY</b>		
1	Does the FBI support this plan? Do you personally believe this is the right approach?	•Yes due to benefits to mission
2	Why does the FBI suddenly no longer require Consolidation? How long has this 'new' plan been in development?	•Still consolidating 8300 staff •Consolidating mission elements •Allows resiliency and COOP capabilities
<b>C SECURITY</b>		
1	Will the new plan meet ISC Level 5 Security standards?	•Yes •Meets blasts, CBR, progressive collapse, RF shielding, intrusion detection, ballistic requirements •Requires adjustments to current blast model: additional hardening + acceptance of façade damage after large event
2	Will the new plan provide the same blast protection as the previous plan?	•No •Requires adjustments to current blast model: additional hardening + acceptance of façade damage after large event •Will use layered approach to hardening •Critical mission elements will be located away from threat.

3	Who for the record is accepting the increased security risk associated with this decision?	FBI
4	FBI has stated for years that it needs a 350ft setback to protect against its blast load in order to meet ISC level V requirement. How are you still able to comply with that when you don't have the setback at the JEH site? What are you doing instead to meet the level V requirements?	<ul style="list-style-type: none"> <li>•ISC V requirements are set by the agency</li> <li>•Blast is only one component of ISC requirements. All other criteria will be fully met</li> <li>•Requires adjustments to current blast model: additional hardening + acceptance of façade damage after large event</li> </ul>
<b>D COST</b>		
1	How can you say this is a good deal for the taxpayer when it cost more per seat?	<ul style="list-style-type: none"> <li>•The cost between programs are comparable.</li> <li>•Transportation mitigation cost in previous strategy equates to swing space and non-NCR costs.</li> </ul>
2	Why are relocation cost outside the NCR not included?	<ul style="list-style-type: none"> <li>•Separate project cost with separate funding request.</li> <li>•FBI will provide details</li> </ul>
3	How can you say this is a good deal for the taxpayer when we are basically throwing away \$479M in temporary swing space?	<ul style="list-style-type: none"> <li>•The cost between programs are comparable.</li> <li>•Transportation mitigation cost in previous strategy equates to swing space and non-NCR costs.</li> <li>•Long term mission benefits and savings outweigh temporary swing space cost.</li> </ul>
4	Why was rent for swing space not included?	<ul style="list-style-type: none"> <li>•Rent is not a new request for funding.</li> <li>•Current JEH rent cost will offset swing space rent.</li> </ul>
5	Why was the previous full cost of the project never shared? Why should we trust this IS the full request now?	<ul style="list-style-type: none"> <li>•High sensitivity due to JEH exchange value</li> <li>•Current cost is a fully loaded estimate.</li> </ul>
<b>E OUTSIDE NCR</b>		
1	If Huntsville doesn't receive funding (which I'll note – there is no request included in the FY18 budget); can you still move forward with this plan?	<ul style="list-style-type: none"> <li>•Yes</li> <li>•FBI will maintain existing leases until space + relocation are completed</li> </ul>
<b>F FUNDING</b>		
1	What other funding alternatives were considered and which did GSA/FBI recommend to OMB?	<ul style="list-style-type: none"> <li>•All funding options for both federal and lease construction that are within GSA's authority</li> </ul>
2	Why do you believe the \$703M in prior year appropriations is available for your use in this revised effort? Don't you need to request to reprogram?	<ul style="list-style-type: none"> <li>•Funds were specifically allocated for the HQ project.</li> </ul>

3	Explain again why the previous procurement was cancelled? We indicated funds would be made available in FY18 – which you now fully acknowledge is a possibility as you are now asking for \$2.175B in FY18 which I'll note is a dramatic increase from the stated shortfall of \$882M.	<ul style="list-style-type: none"> <li>•\$882M was only for D+C, no fit-out</li> <li>•Total previous shortfall: \$2.41B w/o JEH exchange</li> <li>•Current shortfall: \$2.175B all in.</li> </ul>
<b>G PREVIOUS PROCUREMENT</b>		
1	How much money was spent on previous efforts that oops on second thought we no longer need?	<ul style="list-style-type: none"> <li>•\$27M combined both FBI and GSA of funds allocated to the project.</li> </ul>
2	What amount if any of the previous work from 10 years of effort can be utilized?	<ul style="list-style-type: none"> <li>•Lessons learned</li> <li>•POR - Substantial use</li> <li>•RFP/EIS - Partial use</li> </ul>
3	How much longer will it take to deliver a new facility on the JEH site vs. using one of the three sites the FBI already said was acceptable?	<ul style="list-style-type: none"> <li>•Previous timeline - site dependent</li> <li>•Current timeline comparable to previous approach</li> </ul>
5	Is the real reason the prior procurement was cancelled was because the FBI is opposed to moving to PG County?	<ul style="list-style-type: none"> <li>•No</li> </ul>
6	We know GSA spent approximately \$20M on the last failed procurement; how much did the FBI spend?	<ul style="list-style-type: none"> <li>•Approximately \$7M of funds allocated to the project.</li> </ul>

**Subject:** Re: FBI - Updated Presentation to Include JEH Modernization  
**Date:** Thu, 4 Jan 2018 10:35:38 -0500  
**From:** Richard Sedwick - WPXBA <[richard.sedwick@gsa.gov](mailto:richard.sedwick@gsa.gov)>  
**To:** Michael Gelber - PD <[michael.gelber@gsa.gov](mailto:michael.gelber@gsa.gov)>  
**Cc:** Aaron Hassinger - WPIA <[aaron.hassinger@gsa.gov](mailto:aaron.hassinger@gsa.gov)>, "Ivan Swain (WPTB)" <[ivan.swain@gsa.gov](mailto:ivan.swain@gsa.gov)>, Shapour Ebadi - WPI <[shapour.ebadi@gsa.gov](mailto:shapour.ebadi@gsa.gov)>, Nia Francis - WPDBA <[nia.francis@gsa.gov](mailto:nia.francis@gsa.gov)>, "Mack Gaither (WPTB-C)" <[mack.gaither@gsa.gov](mailto:mack.gaither@gsa.gov)>, Andrew Heller <[andrew.heller@gsa.gov](mailto:andrew.heller@gsa.gov)>, Christian Hazen <[christian.hazen@gsa.gov](mailto:christian.hazen@gsa.gov)>, Mary Gibert <[mary.gibert@gsa.gov](mailto:mary.gibert@gsa.gov)>  
**Message-ID:** <CAGd2iPeGD2pngj37WmWM3UWEP5USAY7KPzQ3b-X4eVavFpA6eQ@mail.gmail.com>  
**MD5:** 08c3e8c62efa5e57fa8a7239e5319ed2  
**Attachments:** (b)(5)

Michael,

Please see attached for the updated presentation to include the additional scenarios and identifying the first year of lease rent for the new respective (leased) Headquarters location.

Regards,

Richard

--  
Richard Sedwick  
Asset Manager  
Capital Planning Division  
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National Capital Region  
Desk: [202-501-3558](tel:202-501-3558)  
Cell: (b)(6)

On Wed, Jan 3, 2018 at 7:37 PM, Michael Gelber - PD <[michael.gelber@gsa.gov](mailto:michael.gelber@gsa.gov)> wrote:

Thank you.

Spoke with Andrew Heller about some additional changes: (b)(5)

We can discuss tomorrow.

On Wed, Jan 3, 2018 at 3:24 PM, Richard Sedwick - WPXBA <[richard.sedwick@gsa.gov](mailto:richard.sedwick@gsa.gov)> wrote:

Michael,

Please see attached for the updated presentation per the discussion this morning. We have performed the following:

(b)(5)

(b)(5)

Please let us know if you need anything further.

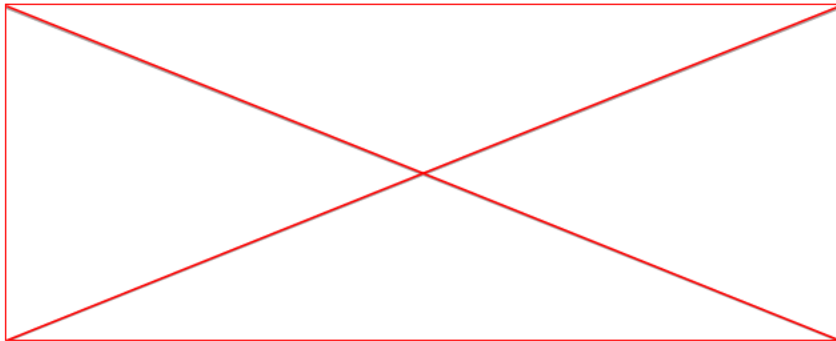
Regards,

Richard

--

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**Subject:** Re: FBI Qs  
**Date:** Tue, 20 Feb 2018 09:42:58 -0500  
**From:** Aaron Hassinger - WPIA <aaron.hassinger@gsa.gov>  
**To:** Saul Japson - S <saul.japson@gsa.gov>  
**Cc:** Michael Gelber - PD <michael.gelber@gsa.gov>, Jeff Post - S <jeffrey.post@gsa.gov>, Andrew Blaylock - OCIA <andrew.blaylock@gsa.gov>, Jessica Jennings - S <jessica.jennings@gsa.gov>, Mary Gibert - AD <mary.gibert@gsa.gov>, Shapour Ebadi - WPS <shapour.ebadi@gsa.gov>  
**Message-ID:** <CAFWj2MrJdWrEhNOVci5J6bnzDB6SuWu0owLcwY6tf0vVdKYG0w@mail.gmail.com>  
**MD5:** ced22e87f06dc248105c1e63c3ba16da

Saul,

Not exactly sure which FBI fact sheet you are referring to. The one I am looking at does not reference the GSA FY16 funds because we have always set them aside.

-Aaron

On Tue, Feb 20, 2018 at 9:34 AM, Saul Japson - S <[saul.japson@gsa.gov](mailto:saul.japson@gsa.gov)> wrote:

Thanks Aaron, looking at the FBI fact sheet that was developed, can you confirm that this \$75 million balance was included in the calculations that resulted in the current FBI \$2.175 billion ask? The FBI slide deck seems to indicate that is, but our internal FBI fact sheet is not as clear.

Saul

On Tue, Feb 20, 2018 at 7:34 AM, Aaron Hassinger - WPIA <[aaron.hassinger@gsa.gov](mailto:aaron.hassinger@gsa.gov)> wrote:

All,

GSA has obligated \$12.5 Million of the \$75 Million appropriated in FY16. See the attached breakdown. The total obligations are slightly less than they were in August due to de-obligation of some contracts.

We anticipate using existing project funds for planning and site evaluation under the new approach.

On Sun, Feb 18, 2018 at 12:12 PM, Michael Gelber - PD <[michael.gelber@gsa.gov](mailto:michael.gelber@gsa.gov)> wrote:

FY2016 GSA FBI HQ project funds have been used for the project management activities.

funds (believe amount is \$75 million). What is the balance, how much has been obligated to date.

On Sun, Feb 18, 2018 at 10:52 AM, Saul Japson - S <[saul.japson@gsa.gov](mailto:saul.japson@gsa.gov)> wrote:

Hi Michael - see question below regarding FBI FY16 funds.

Sent from my iPhone

Begin forwarded message:

**From:** "Sara, Ariana" <[Ariana.Sara@mail.house.gov](mailto:Ariana.Sara@mail.house.gov)>  
**Date:** February 17, 2018 at 9:28:23 PM EST  
**To:** Saul Japson - S <[saul.japson@gsa.gov](mailto:saul.japson@gsa.gov)>  
**Subject:** FBI Qs

Hi Saul,

Has any of what was appropriated in FY16 in the FSGG bill been obligated? Those funds were for project management I believe? What have they been used on?

For the new plan that was just rolled out, what funding does GSA use for planning, site evaluation, etc.?

--



MICHAEL GELBER  
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U.S. GENERAL SERVICES ADMINISTRATION  
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**Subject:** Re: Status of FBI NPV Analysis and Presentation Update  
**Date:** Mon, 8 Jan 2018 15:54:53 -0500  
**From:** Michael Gelber - PD <michael.gelber@gsa.gov>  
**To:** Aaron Hassinger - WPIA <aaron.hassinger@gsa.gov>  
**Cc:** Andrew Heller - PT <andrew.heller@gsa.gov>, Mary Gibert - AD <mary.gibert@gsa.gov>, Shapour Ebadi <shapour.ebadi@gsa.gov>, Stuart Burns - PT <johns.burns@gsa.gov>  
**Message-ID:** <CAOf79dQgha8fu8F5qp3=qqVba=DHnSfCURZ\_j+Q+UVNDRDJ5vw@mail.gmail.com>  
**MD5:** 73c5f46f1d08e2b24b6bc19e2a14ef14

Thank you.

Appreciate everyone's work on this question.

Glad we got to a good place.

On Mon, Jan 8, 2018 at 3:19 PM, Aaron Hassinger - WPIA <[aaron.hassinger@gsa.gov](mailto:aaron.hassinger@gsa.gov)> wrote:

All,

FBI is not objecting. We are moving forward with the standard GSA reversion method.

Thanks,

-Aaron

On Mon, Jan 8, 2018 at 2:42 PM, Andrew Heller - PT <[andrew.heller@gsa.gov](mailto:andrew.heller@gsa.gov)> wrote:

Thanks for the update Aaron.

(b)(5)  
[Redacted]

(b)(5)  
[Redacted]

[Redacted]

Please let us know if you have questions or would like to discuss further.

Thanks,  
Andrew

Andrew Heller  
Public Buildings Service  
U.S. General Services Administration  
[\(202\) 501-0772](tel:(202)501-0772)

On Mon, Jan 8, 2018 at 10:56 AM, Aaron Hassinger - WPIA <[aaron.hassinger@gsa.gov](mailto:aaron.hassinger@gsa.gov)> wrote:

Hi Michael,

FBI and GSA have been working through the questions FBI raised with the NPV values following last week's meeting.

(b)(5)

We plan to (b)(5)

(b)(5)

Please let me know if you have any questions.

Thanks,

-Aaron

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